

## Message Text

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51

ACTION ARA-10

INFO OCT-01 ISO-00 EB-07 RSC-01 /019 W

----- 002312

P R 261300Z NOV 74 ZDK

FM AMEMBASSY PANAMA

TO USDOC PRIORITY

INFO SECSTATE WASHDC 2393

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EO 11652: N/A

TAGS: BEXP, PN

SUBJ: MAJOR PROJECT: TOCUMEN INTERNATIONAL AIRPORT

REFS: (A) STATE 257231; (B) PANAMA 6444 TO USDOC

1. BID OPENING FOR THIS MAJOR PROJECT HELD NOVEMBER 25 REVEALED PERINI CORP. (US) ENTERED LOWEST LEGAL BID (\$31,349,662) OF THE FOUR FIRMS COMPETING. ONE FIRM (ICA) QUOTED PRICE \$89,629 LOWER THAN PERINI, BUT LATTER INDICATES IT WILL PROTEST IF THIS FIRM CONSIDERED FOR CONTRACT BECAUSE IT BID UNDER NAME OTHER THAN ONE USED IN PRE-QUALIFICATION. BIDS WERE, HOWEVER, \$8 MILLION OR MORE ABOVE PLANNED COST OF \$23.2 MILLION, SO GOVERNMENT DECLARED BIDDING VOID FOR AN UNSPECIFIED PERIOD TO PERMIT IT TO CONFER WITH IBRD AND DECIDE HOW TO PROCEED WITH PROJECT.

2. NAMES OF FIRMS COMPETING AND PRICES QUOTED ARE: PERINI (US) \$31,349,662; CONSORCIO ICA CONTINENTAL (MEX) \$34,434,174; COMPANIA PANAMERICANA (PRE-QUALIFIED UNDER CONSORCIO IMPRESIT, OF ITALY) \$31,260,033; AND PYUNG HWA CONSTR. CO. (KOREA) \$33,532,437. KOREAN BID WAS THROWN OUT FOR LACK OF BID BOND.

3. IN CALL ON CIVIL AVIATION DIRECTORATE (DAC) LAST FRIDAY, COMATT LEARNED THAT DIRECTOR JUAN ABAD HAD THAT DAY SECURED IN WASHINGTON IBRD APPROVAL FOR PROCEEDING WITH PROJECT ON BASIS: (A) NEGOTIATION WITH LOW BIDDER(S) TO REDUCE COSTS  
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BY SUBSTITUTION LOWER-COST LOCAL MATERIALS AND CHANGED SPECI-

FICATIONS; OR (B) SELF-ADMINISTERED "FORCE ACCOUNT" USING OWN PUBLIC WORKS MINISTRY CAPABILITY, SUPPLEMENTED AS NEEDWD WITH SUBSContracting. THIS APPROVAL BELIEVED CONTINGENT ON RECEIPT OF BIDS CLOSER TO ENGINEERS COST ESTIMATE OF \$23.2 MILLION.

4. ACTION REQUESTED: MESSRS. AL PERINI AND JOHN CHIAVARINI HAVE EXPRESSED DESIRE TO BE INFORMED OF RUTHER DETAILS ON IBRD APPROVAL MENTIONED PARA THREE, ABOVE. EMBASSY WOULD APPRECIATE RECEIVING SOONEST ANY INFORMATION WHICH STATE OR USDOC CAN APPROPRIATELY SECURE FOR THIS PURPOSE. THEY ALSO ASKED HOW IT BEST TO INFORM IBRD THAT COMPANIA PANAMERICANA NOT ELIGIBLE TO BID. THEY REASON THAT WORLD BANK MAY HAVE INTEREST IN ENSURING THAT NO SUCH IRREGULARITIES OCCUR IN BIDDING ON PROJECTS WHICH IT FINANCES. EMBASSY PROVIDED PERINI WITH IBRD TELEPHONE NUMBER AND ADDRESS FOR DIRECT APPROACH. COULD DEPARTMENT MAKE APPROPRIATE LOW-KEY CONTACT AT BANK IN THIS REGARD? GONZALEZ

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## Message Attributes

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**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
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**Decaption Date:** 01 JAN 1960  
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**Disposition Approved on Date:**  
**Disposition Authority:** MorefiRH  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
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**Original Handling Restrictions:** n/a  
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**Review Action:** RELEASED, APPROVED  
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**Review Withdrawn Fields:** n/a  
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**Status:** NATIVE  
**Subject:** MAJOR PROJECT: TOCUMEN INTERNATIONAL AIRPORT  
**TAGS:** BEXP, PN  
**To:** COM  
**Type:** TE  
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